IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD
(Special Original Jurisdiction)
WEDNESDAY, THE TWENTY THIRD DAY OF JUNE
TWO THOUSAND AND FOUR
PRESENT
THE HON'BLE MR JUSTICE V.V.S.RAO
WRIT PETITION NO : 5700 of 1994

Between:

1 K.Gopals Rao, son of Venkata Rao,
Quarter No. M.I.G.-I/13, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

2 S.Venkata Ramana, son of Appa Rao,
Quarter No. M.I.G.-I/125, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

3 V.Narayana, son of Sitarama Murthy,
Quarter No. M.I.G.-I/131, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

4 M.Bala Gangadhar, son of Balakirshnama,
Quarter No. M.I.G.-I/96, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

5 P.Ramulu, son of late Venkata Ramana,
Quarter No. M.I.G.-I/42, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

6 G.Kumar ,
Quarter No. M.I.G.-I/35, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

7 A.B.Sankara Rao, son of Subba Rao,
Quarter No. M.I.G.-I/152, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

8 N.Ch.S.R.Lakshmi, W/o Nageswara Rao,
Quarter No. M.I.G.-I/130, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

9 K.Appala Naidu, son of Late Gangayya,
Quarter No. M.I.G.-I/85, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

10 P.Appayyamma, W/o late Ramulu,
Quarter No. M.I.G.-I/60 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

11 Ch. Dali Babu, son of Late Demdu,
Quarter No. M.I.G.-I/20, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

12 Md. Alisha, son of Md. Khasim,
Quarter No. M.I.G.-I/69, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

13 M.B.Rajeswari W/o M.G.Raju,
Quarter No. M.I.G.-I/95, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

14 A.V.Bhaskara Rao, son of A.Rama Rao,
Quarter No. M.I.G.-I/7 Simhapuri Housing Colony,

Visakhapatnam -29, Vepagunta Post.

15 P.Paidi Raju, son of late Appala Narasayya,
Quarter No. M.I.G.-I/44, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

16 V.Rajasekhar, son of Ramachandran,
Quarter No. M.I.G.-I/98, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

17 S.Kalidas, son of Appalaswamy,
Quarter No. M.I.G.-I/54, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

18 K.Yeruku Naidu, son of Simhachalam,
Quarter No. M.I.G.-I/88, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

19 B.Latcha rao, son of Appalanidu,
Quarter No. M.I.G.-I/109, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

20 R.Ramana, son of Appanna,
Quarter No. M.I.G.-I/100, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

21 R.Sambasiva Rao, son of Nageswara Rao,
Quarter No. M.I.G.-I/111, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

22 D.V.Sivakumar, son of Sreerama Murthy,
Quarter No. M.I.G.-I/86, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

23 M.Seetharam son of late Satyanarayana,
Quarter No. M.I.G.-I/39, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

24 S.Appa Rao, son of Simhadri,
Quarter No. M.I.G.-I/4 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

25 D.Rambabu, son of Sreerama Murthy,
Quarter No. M.I.G.-I/61, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

26 B.Appala Konda, C/o K.Chitti Babu,
Quarter No. M.I.G.-I/3, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

27 V.Suryanarayana, son of Ratnaji Rao,
Quarter No. M.I.G.-I/41 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

28 K.Suryanarayan, son of Viswanadham,
Quarter No. M.I.G.-I/91 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

29 S.Vijayan, son of Sridharan,
Quarter No. M.I.G.-I/82, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

30 R.V.Raman Raju, son of Narasimha Raju,
Quarter No. M.I.G.-I/151, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

31 R.Srinivasa Rao, son of R.Surya,
Quarter No. M.I.G.-I/127 Simhapuri Housing Colony,

Visakhapatnam -29, Vepagunta Post.

32 Shaik Vali, son of Shaik Saidulu,
Quarter No. M.I.G.-I/155 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post,

33 N.V.K.Sharma, son of late Subbaiah,
Quarter No. M.I.G.-I/48, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

34 P.Nageswara Rao, son of Nooka Raju,
Quarter No. M.I.G.-I/08, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

35 T.V.Sesha Rao, son of Seshalwarlu,
Quarter No. M.I.G.-I/14, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

36 K.Vasantha W/o Dr.P.Shantanna,
Quarter No. M.I.G.-I/108, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

37 B.A.V.Prasad, son of Late B.Das,
Quarter No. M.I.G.-I/115, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

38 V.Venkateswara Rao, son of Sanyasi Raju,
Quarter No. M.I.G.-I/53, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

39 N.Applaa Rao, son of Late Gaganna,
Quarter No. M.I.G.-I/94, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

40 O.Appa Rao, son of O.Chinnayya,
Quarter No. M.I.G.-I/93, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

41 M.Satyanarayana, son of Venkataramana,
Quarter No. M.I.G.-I/83, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

42 L. Uma, W/o L.Satyanarayana,
Quarter No. M.I.G.-I/138, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

43 S.Narayana Rao, son of S.Subramanyam,
Quarter No. M.I.G.-I/105, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

44 M.Saraswathi, C/o M.Appa Rao,
Quarter No. M.I.G.-I/79, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

45 N.Nageswara Rao,
Quarter No. M.I.G.-I/135 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

46 Y. Ganeswara Rao, son of Veerraju,
Quarter No. M.I.G.-I/78, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

47 S.Janasi Nageswari, W/o S.V.Ramana Rao,
Quarter No. M.I.G.-I/64, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

48 Dandu Satyanarayana Raju, son of Appalanarasimha Raju,
Quarter No. M.I.G.-I/144, Simhapuri Housing Colony,

Visakhapatnam -29, Vepagunta Post.

49 C.Laxshmi, W/o.C.V.R.Murthy,
Quarter No. M.I.G.-I/150, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

50 D.Devendra R Deo, son of late Dr. D.S.N.Deo,
Quarter No. M.I.G.-I/32, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

51 Ch.V.Ramana, son of Adinarayana Murthy,
Quarter No. M.I.G.-I/67, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

52 B.Anjali Kumari, W/o Suri Babu,
Quarter No. M.I.G.-I/21, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

53 R,.Appa Rao, son of Rajulu,
Quarter No. M.I.G.-I/140, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

54 P.Srinivasa Rao, son of Late Veerachary,
Quarter No. M.I.G.-I/62, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

55 P.Raghavendra Rao, son of Late Katragadda Subba Rao,
Quarter No. M.I.G.-I/136 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.
(Petitioner 55 died, his LRs are brought on record as
petitioners 92 and 93)

56 Smt. A. Parvathi, W/o. Siva Rao,
Quarter No. M.I.G.-I/50, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

57 V.Ramana, son of Narayadu,
Quarter No. M.I.G.-I/31, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

58 N.V.S.Lakshmi, W/o N.G,K.Murthy,
Quarter No. M.I.G.-I/31, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

59 A.M.Subhan, son of late Shaik Meera Saheb,
Quarter No. M.I.G.-I/71, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

60 P.Laxmi, son of P.N.Raju,
Quarter No. M.I.G.-I/80, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

61 M.P.R.R. Kiran, son of M.B.K. Murthy,
Quarter No. M.I.G.-I/153, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

62 G.Vijay Laxmi, D/o Late T.S.Murthy,
Quarter No. M.I.G.-I/134, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

63 S.Chittamma, W/o Manga Naidu,
Quarter No. M.I.G.-I/119, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

64 S.Chandra Sekhar son of Late Bhaskara Rao,

Quarter No. M.I.G.-I/139, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

65 M.Subrahmanyam, son of Late Narasimha Murthy,
Quarter No. M.I.G.-I/148, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

66 T.Surya Rao, son of Late Lakshmana Rao,
Quarter No. M.I.G.-I/141, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

67 D.Satya Mohan, son of D.V. Subba Rao
Quarter No. M.I.G.-I/110, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post

68 Y.Satyavathi, W/o Late Y.V.M.M.G.Rama Rao,
Quarter No. M.I.G.-I/126, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

69 P.Srinivasa Rao, son of Suryanarayana,
Quarter No. M.I.G.-I/121, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

70 G.Hara Gopal son of Rama Swamy,
Quarter No. M.I.G.-I/4 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

71 V.Satyanarayana Murthy, son of V.Narayana Rao
Quarter No. M.I.G.-I/12, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

72 Smt. D.Laxmi Bai W/o G.V.S. Sastry,
Quarter No. M.I.G.-I/72, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

73 T.Ranga Rao, son of Sri Venkatachalapathi (Late)
Quarter No. M.I.G.-I/104, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

74 K.Ramachandra Rao, son of Venkateswara Rao
Quarter No. M.I.G.-I/23, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

75 M.V.G.shanker, son of M.Brahmanandam
Quarter No. M.I.G.-I/81, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

76 D.Sanjeeva rao son of D.Konda,
Quarter No. M.I.G.-I/129 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post

77 K.Mohan Rao,
Quarter No. M.I.G.-I/10 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post

78 Md.Pasha, son of Md. Ibrahim,
Quarter No. M.I.G.-I/99, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

79 P.Sreeramachandra Murthy, son of Late Ramalingam,
Quarter No. M.I.G.-I/56, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

80 M.Narasinga Rao, son of Late M.Rama Rao,
Quarter No. M.I.G.-I/22, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

81 N.V.Sita Kumari, W/o Varadha Raju,
Quarter No. M.I.G.-I/51, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

82 U.V.Suryanarayana, son of late Kameswara Rao,
Quarter No. M.I.G.-I/19, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

83 N.Pydiraju, son of Late N.Ramulu,
Quarter No. M.I.G.-I/128, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

84 P.Prasada Rao, son of Kondala Rao,
Quarter No. M.I.G.-I/34, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

85 K.Rama Mohan Rao, son of Appa Rao,
Quarter No. M.I.G.-I/1, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

86 M.Saraswathi, W/o M.V.Srinivasa Rao,
Quarter No. M.I.G.-I/97, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

87 Smt K.V.B.Ratnam, W/o N.L.Ganapathi,
Quarter No. M.I.G.-I/69, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post

88 Gurambee Shaik,
Quarter No. M.I.G.-I/5, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

89 N.Simhadri,
Quarter No. M.I.G.-I/118, Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

90 Y.Aridas,
Quarter No. M.I.G.-I/73 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

91 G.Vijayalaxmi, W/o Devanand,
Quarter No. M.I.G.-I/58 Simhapuri Housing Colony,
Visakhapatnam -29, Vepagunta Post.

92 P.Amarnadhji, S/o.Late P.Raghavendra Rao,
Door No.20-6-10, Subbarao Street,
Chinna Ravuru, Tenali, Guntur District.

93 P.Thirumala Rao, S/o. Late P.Raghavendra Rao,
Door No.20-6-10, Subba Rao Street,
Chinna Ravuru, Tenali, Guntur District
(petitioner Nos.92 and 93 are LRs of petitioner No.55)

..... PETITIONERS

AND

Visakhapatnam Urban Development Authority (VUDA), Visakhapatnam
Represented by its Vice-Chairman

.....RESPONDENT

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a writ, order or direction more particularly one in the nature of Writ of Mandamus declaring the action of the Respondent in fixing the cost of M.I.G.-1 Quarter at Rs. 94,000/- i.e., enhancing the price from Rs.79,890/- to Rs.94,000/- and thereby enhancing the quarterly instalment from Rs.1910/- to Rs.2,370/-, as illegal, arbitrary and without jurisdiction and direct the respondent to continue to collect only Rs.1910/- per instalment, and pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case.

For the Petitioners:MR.P.KRISHNA REDDY

For the Respondent : SMT.SUMALINI REDDY,
STANDING COUNSEL FOR VUDA

The Court Made the Following

ORDER:

The petitioners seek a Writ of Mandamus declaring the action of the respondent, namely, Visakhapatnam Urban Development Authority (VUDA), in fixing final cost of MIG-I houses at Simhapuri Housing Colony, Visakhapatnam at Rs.94,000/- (Rupees ninety four thousand only), enhancing from the earlier price of Rs.79,890/- (Rupees seventy nine thousand eight hundred and ninety only), as illegal and arbitrary. They also seek a direction to VUDA to refix the final cost in a just and fair manner.

In 1990 VUDA proposed a scheme for construction of different phases of houses. The petitioners were allotted houses at the provisional cost. After completion of the houses VUDA informed them to pay enhanced cost having regard to escalation in construction cost. Aggrieved by the same, petitioners made representations for redressal in vain. Therefore, they filed the Writ Petition.

The provisional allotment letter issued to one of the petitioners is annexed to the Writ Petition. The allotment letter itself shows that it is a provisional allotment and it is provisional cost. Further condition No.2 of provisional allotment letter reads as under:

(2). The total cost of the house mentioned above is purely tentative and subject to variation depending on escalation in construction costs, enhancement in Land Acquisition compensation etc. The allottees are liable to pay such enhanced amounts. Any failure to pay the revised enhanced amounts shall entail cancellation of the provisional allotment made and the amounts after forfeiture as per the rules in existence at that time will be refunded.

A reading of the above would show that the petitioners were allotted houses at a tentative cost and they were informed that the cost of the houses is subject to variation depending on escalation in construction cost and enhancement in land acquisition compensation. They were also informed that they are liable to pay the enhanced cost and that failure to pay review enhanced cost shall entail in cancellation of provisional allotment. Therefore, the contention that enhancement is

arbitrary cannot be accepted.

A Division Bench of this Court in Writ Petition No.9172 of 1990, dt.20.4.1997 considered similar question. While rejecting the contention of the allottees, it was held:

> The petitioners have assailed the action of the respondent-authority in increasing the value of the plot from Rs.70/- per Sq.yard to Rs.99/- per Sq.yard. The contracts between the petitioners and the respondent do contain terms for escalating the rate of the land and the cost of development. Having regard to this stipulation and also in the light of the judgment of the apex court in **Bareilly Development Authority v. Ajay Pal Singh** (AIR 1989 SC 1076), we do not find any merit in this writ petition. The writ petition fails and is dismissed. No costs. The fees of Ms.K.Sumalini Reddy is fixed at Rs.2,150/- (Rupees two thousand one hundred and fifty only) payable by the respondent within a period of two months from the date of presentation of the bill.

Following the Division Bench judgment, this Writ Petition is liable to be dismissed and is accordingly dismissed.

_____

(V.V.S.RAO, J)

23.6.2004

ASSISTANT REGISTRAR

// TRUE COPY //

SECTION OFFICER

To

1.The Vice-Chairma,
Visakhapatnam Urban Development Authority,
Visakhapatnam.

2. 2 CCs to Ms.Sumalini Reddy, Standing Counsel for
Visakhapatnam Urban Development Authority

3. 2CD copies

*Form-NIC-OGS/WP{**LOBIS**}*